



MARKET COMMENT

London

In Prime Central London this year there have been a number of significant under the media radar deals, especially in the new-build sector. The super wealthy, who are not affected by rail strikes or price increases, continue to see London as one of the most attractive and well-connected global cities in which to live, educate their children and work.

Overall though, the Prime Central London market (PCL) has seen transactions slowing due to falling stock levels. Planning restrictions are limiting the amount of new-builds entering the market, and the number of large trophy houses and apartments is falling. As a result, we are seeing ultra-high net-worth buyers taking the opportunity to make offers before demand outstrips supply.

In Peripheral London, the picture is muddled by the volume of smaller flats in 'off locations'. The developers of large complexes of flats did well in their first round of marketing but the buyers are now struggling to sell. It's not hard to see why, ex-industrial land all along the river and railway lines has been over-developed with the result that the only way to distinguish between identical flats for sale is unfortunately the price.

There has also been a large number of landlords flooding the market with investment properties that no longer make financial sense. Many of these properties are tired and this puts off younger buyers who do not have the time or appetite for a lengthy renovation. They are also amongst the most price-sensitive group and it is here that we see nervous buyers and genuinely substantial reductions

Our experience and our networks show clearly that high quality properties are selling and they are increasingly doing so off-market as many of our delighted clients can confirm. Submitting offers at the right level is crucial because stress-testing is significantly tougher than it was only a few years ago and many sellers are in a better position to hold out. We know that, counter-intuitively, it is much harder to buy in a downturn than it is when prices are rising. When both buyers and sellers are reading conflicting headlines every day frank and dispassionate advice is essential.

Country

Having been analysing and writing commentary on the country market for over thirty years it is interesting how little has changed. We see both mainstream and industry media continuing to present the UK property market as one single market apparently in terminal decline when in reality it is as diverse as ever and far from in decline. As with earlier, economically challenging periods we are seeing a lack of supply of best in class houses and that has been compounded by the increase in the time and transaction costs of moving. The big family homes of empty nesters are not coming up for sale in the numbers they once did. Stamp duty increases means that reducing the number of bedrooms and releasing capital comes at too high a cost to people who would be delighted to downsize if they could. Houses that are not negatively affected in any way – with noise being the most likely compromise – are selling quietly and quickly

On the farming side, our country office is seeing commercial farm investors and neighbours buying adjoining land, particularly those with roll-over funds from selling land for development. We are also encountering a new type of buyer looking for land tailored to farming and agricultural activities where carbon can be sequestered and natural capital opportunities exist. An acre of arable land in Hampshire is typically worth around £12,000 an acre. In some cases, particularly where a house owner gets the opportunity to buy some adjoining land with marriage value to their existing property, it can be much higher. Statistics show that last year, 85% of farm and sold for more than the guide price and we see this market only getting stronger.

The Haringtons London and Country teams are highly experienced professionals. We are always delighted to advise buyers thinking of purchasing property in London or the country

MEET THE TEAM

“As one of the first independent buying agencies in the UK, you can expect a level of experience and expertise that no other firm of buying agents can provide. Whether London or the country, we are the most experienced buying team in the business.”

Jonathan Harington, Director



YOUR LONDON TEAM



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YOUR COUNTRY TEAM
